



STATE FISCAL IMPACT

Drafting Number: LLS 13-0155**Date:** February 20, 2013**Prime Sponsor(s):** Sen. Newell
Rep. Ginal**Bill Status:** Senate Health & Human Services**Fiscal Analyst:** Clare Pramuk (303-866-2677)**TITLE:** CONCERNING THE CONTINUATION OF THE REGULATION OF ACUPUNCTURISTS.

Fiscal Impact Summary	FY 2013-2014	FY 2014-2015	FY 2015-2016
State Revenue			
Cash Funds			
Professions and Occupations Cash Fund - Base Funding		\$11,000	\$208,001
Professions and Occupations Cash Fund - New Funding	\$5,024		
State Expenditures			
Cash Funds			
Professions and Occupations Cash Fund - Base Expenditures		\$91,889	\$91,889
Professions and Occupations Cash Fund - New Expenditures	\$5,021		
FTE Position Change		0.7 FTE	0.7 FTE
Effective Date: Upon signature of the Governor, or upon becoming law without his signature.			
Appropriation Summary for FY 2013-2014: See State Appropriations section.			
Local Government Impact: None.			

Summary of Legislation

This bill continues the regulation of acupuncturists until September 1, 2022, and implements the recommendations of the sunset review on the acupuncturist licensing program. Among the changes are the following:

- removes the words "traditional" and "oriental" from the practice definition;
- revises the language regarding the practice of acupuncture as it relates to other healing arts to allow for the overlap of scopes of practice;
- repeals the provision that subjects an acupuncturist to discipline for working while afflicted with an infectious disease;
- amends grounds for discipline to remove words addiction and dependence;
- authorizes the director to enter into a confidential agreement with an acupuncturist who has a mental or physical condition or illness;
- allows for disciplining an acupuncturist who has a mental or physical condition or disability that may endanger the health and safety of clients who fails to notify the director or fails to act within agreed upon limitations.

- allows letters of admonition to be sent by first class rather than certified mail;
- prohibits an acupuncturist whose license has been revoked or surrendered from reapplying for at least two years; and
- removes the requirement that supervising acupuncturists report the names and addresses of the students they supervise to the Director of the Division of Professions and Occupations in the Department of Regulatory Agencies (DORA).

Fiscal Impact of Programs Set to Expire

This bill continues a program in the Division of Professions and Occupations (division) that is set to repeal, effective July 1, 2013. Under current law, state agencies may be appropriated funds to wind up the affairs of an expiring program for 12 months following the repeal date. To account for the wind-up period, the impact of extending the program beyond the current repeal date is shown as beginning in FY 2014-15, one year after the repeal date. There is no need for an appropriation of the division's base funding in FY 2013-14, since the program's authorization has not yet expired, and ongoing funding for the program is included in DORA's base budget request for FY 2013-14.

The state revenue and state expenditures impact for FY 2014-15 reflect the program's anticipated fee revenue and base budget request beginning that year. All increase in expenditures from the bill are for FY 2013-14 only so the revenue and expenditures shown for FY 2014-15 are all base amounts. DORA's request for the regulation of acupuncturists in FY 2013-14 is \$91,889 and 0.7 FTE which carries forward to FY 2014-15 and beyond. The anticipated base revenue in FY 2014-15 is \$11,000. Because acupuncturist licenses are renewed every two years, the majority of funding for continuing the program is collected every other year. The first year with a full fee impact of base revenue \$208,001 in FY 2015-16.

State Revenue

Fee revenue to the Division of Professions and Occupations Cash Fund will increase by **\$5,024** to cover the increased costs due to rulemaking of the program for FY 2013-14 only. This represents an increase of \$4.45 per licensee for one year only as shown in Table 1. License fees will return to current levels for subsequent years. Base revenue will increase by **\$11,000** in FY 2014-15 and **\$208,001** in FY 2015-16.

Table 1. Fee Impact on Acupuncturists for FY 2013-14					
Type of Fee	Current Fee	Proposed Fee	Fee Change	Number Affected	Total Fee Impact
Original License Fee	\$100.00	\$104.45	\$4.45	105	\$467
Renewal License Fee (2-year)	159.00	163.45	4.45	1024	4,557
TOTAL					\$5,024

State Expenditures

This bill is expected to increase expenditures by **\$5,021** in FY 2013-14 and **\$91,889** and **0.7 FTE** in FY 2014-15 and thereafter, from the Division of Professions and Occupations Cash Fund.

The division will hold rule making hearings to promulgate amended rules to address the bill's changes to the regulation of acupuncturists. This is expected to require 65 hours of legal services from the Department of Law at a rate of \$77.25 per hours for a total of \$5,021. Staff will conduct outreach to acupuncturists to make them aware of the new rules but this will be accomplished within existing appropriations.

State Appropriations

For FY 2013-14, the Division of Professions and Occupations in the Department of Regulatory Agencies requires an appropriation of \$5,021 from the Division of Professions and Occupations Cash Fund to be reappropriated to the Department of Law.

Departments Contacted

Law	Regulatory Agencies
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